

Devolution and the Rural Economy





Rural Economy

Context



- The rural aspect of Cheshire & Warrington is significant in terms of population (c.35%), economic impact & its contribution to the region's quality and sense of place.
- Traditionally the rural economy includes agriculture (dairy), and land-based industries e.g. horticulture, forestry, landscaping, equine, extractive industries, land management.
- Other diverse sectors e.g. visitor economy, logistics, food & drink manufacturing, renewable energy, agri-tech & bio-renewables, financial & professional services, digital creative & healthcare tech.
- Science corridor extends across rural locations in CEC – pharma, scientific research, energy, radio astrophysics located in strategic employment sites e.g. Alderley Park, Radbroke Hall, Jodrell Bank
- SME's & micro businesses.

Context



- The rural economy does not exist in isolation from other factors. It is an important aspect of the regions character & brings constraints & opportunities peculiar to rural areas e.g.
- digital connectivity
- public transport & access to services & facilities e.g. education, health
- access to customers, markets, employees & skills,
- energy
- housing
- productivity & wages
- communities
- environment, natural capital, climate resilience
- planning
- visitor & cultural economies

Evidence Base

– Rural Growth & Infrastructure



- Jobs growth low at 2% between 2015-20, compared to sub-regional average (3.9%) & national average (2.9%)
- Potential for remote working to lead to inflow of workers into rural areas, however challenging if connectivity poor
- Poor transport quality – lower number of jobs accessible via 60 mins public transport compared to national average.
- High risk of digital exclusion

(Source: Metro Dynamics)

Evidence Base

– Rural Inclusive & Healthy



- 9% of rural primary schools have a higher performance gap between FSM & non-FSM pupils compared to sub-regional average
- Healthy Life Expectancy (71) is higher in rural areas compared to national average (63.5).
- There are no rural areas in worst decile for health deprivation. Hidden pockets within affluence?

(Source: Metro Dynamics)

Evidence Base – Rural Sustainable & Nature Positive



- 70% of rural neighbourhoods have a higher carbon footprint relative to England average
- Rural areas (between Knutsford & Macclesfield & west of Nantwich) have the highest median electricity consumption in the sub- region & double the national average.
- Low density of electric charging points – only 20% of total in rural areas
- One of the most nature depleted areas in England despite hosting internationally significant wetlands & habitats

(Source: Metro Dynamics 2022)

Context



- During 2024, the rural agenda was included as part of the **DEFRA** devolution workstream and considered as a key cross cutting theme
- In January 2025, the **rural devolution workstream** was aligned to CEC workstream lead for Culture and Visitor Economy to encourage greater focus and a broader scope.
- CEC **Rural Action Plan** report to March 2025 Economy & Growth Committee informed of progress on priorities within Cheshire East.
- CEC member of **Rural Services Network** – LGA special interest group – rural advocacy, best practice & expertise
- **Rural Shared Prosperity Fund** since 2023 supporting rural communities & voluntary sector, micro, SME's & visitor economy businesses, cultural access, digital connectivity

Context



- **C&W Sustainable & Inclusive Economic Strategy.**
- Rural inherent in the following priorities:
 - *Supporting business growth, investment & innovation*
 - *Supporting sustainable & nature positive activities*
 - *Supporting inclusion & health*
 - *Supporting infrastructure - housing, transport, digital, power, water & community involvement*

Rural Devolution Officer Working Groups

Rural Devolution

Carole Hyde (CEC) - Workstream lead

Rob Charnley (CWC)

Iain Paton (CWC)

Kerry Hall (WBC)

Melissa Crellin (ECW)

Rural Strategy Group

Rachel Bolton (CEC)

Sean Bell (CWC)



Rural Strategy Group



Rural Strategy Group (RSG) advisory board set up in 2020 to provide guidance to the sub-region in developing strategies to support the physical, social and sustainable economic development of the rural area.

Current membership:

- LA officer reps
- LA Members (2 reps per Council – CEC Cllrs Gorman & Clowes)
- Private sector e.g. Combermere Abbey (Chair) & Cholmondeley Estate
- Visitor Economy e.g. Marketing Cheshire & Tatton Park
- Education e.g. Reaseheath College
- Farming e.g. National Farming Union & Farm business (Vice Chair)
- Community & Voluntary e.g. Cheshire Community Action
- Environmental e.g. Cheshire Wildlife Trust
- Enterprise Cheshire & Warrington (ECW)
- Membership can flex to reflect work programmes
- Guest expert speakers



Rural Strategy Group 2025 Refresh

- New Terms of Reference agreed
- New members
- Devolution focus – Task & Finish Group
- February 2025 meeting – presentations from BAB Chair and 2024 Rural devolution workstream lead
- April & July mtgs non quorate
- Devolution Task & Finish Group established & meeting bi-monthly since May 2025
- DEFRA devolution introduction session 13 August. Key policy areas: rural, climate adaptation, nature recovery, flooding, water, food, circular economy, green finance
- Next 'full' RSG meeting 22 September

Vision for Rural Devolution

- The distinct needs and opportunities of rural areas, businesses and communities in Cheshire & Warrington are highlighted, understood and met.
- Rural areas benefit from the right investment, job opportunities & economic growth.
- Rural Communities have improved access to affordable housing, public transport, digital connectivity, health and education facilities & jobs.
- Rural communities are protected from energy vulnerabilities, lower wages and climate change impacts.
- Rural potential?

‘With the right policy framework, the rural economy could increase productivity significantly leading to additional £19bn per year additional tax revenues’ (Pragmatix Advisory, RSN)



Challenges



- Poor traction / perception of the importance of rural economic and community priorities
- Urban & rural economies can't be viewed in isolation as both work together to contribute to growth
- Governance - fragmented decision-making and under-representation of rural voices
- Lack of recognition of the diverse rural industry base in Cheshire
- Strategic planning powers - recent withdrawal of funding for local councils and forums to produce neighbourhood plans, which is a key tool in managing sustainable economic development
- Housing - lack of affordable and suitable rural housing
- Transport access, land use for integrated rural transport, public transport – to access markets, attract employees, customers, tourists & enable people's access to education & skills

Challenges



- Digital connectivity, need for better broadband, 5G, mobile coverage
- Skills and workforce issues: skills shortages, youth retention - need for tailored skills and employment support
- Youth retention via affordable housing, innovation
- Health & Wellbeing - mental health challenges & support
- SME support
- Productivity & wages

Challenges



- Voluntary, Community, Faith & Social Enterprise (VCFSE) sector integration
- Inclusive rural investment
- Energy vulnerabilities (off-grid, older solid wall buildings, oil/LPG reliance)
- Environmental and net zero alignment
- Only 9% of the region is protected for nature which is significantly lower than Liverpool, Manchester and Lancashire. A rural landscape rich in nature is what people desire (as evidenced by Neighbourhood Plan consultations where environment consistently ranked highly) and will benefit the rural economy by creating a landscape where people want to live and work and have a better quality of life.
- Climate resilience e.g. flood risk, soil conditions, invasive species and land use pressures

Opportunities

- RSG



- Funding: a bespoke rural devolution deal: flexible funding; rural enterprise fund; outcome based funding mechanisms?
- Recognition & confirmation of rural status (NB. change in ONS definition of rural)
- Fair resource allocation and funding for rural areas
- Multi-year capacity-building for local councils
- Digital investment
- A devolved responsible and flexible land use planning system for rural areas accommodating diverse housing demands & evolving workspace needs of businesses

Opportunities

- RSG



- Replacement funding for parish councils to provide a mechanism for input to planning & development decisions
- Recognition of rural Cheshire as a sectoral hub; support for SMART tech strategies in transport, tourism, and business.
- Financial support via public-private partnerships, better urban-rural collaboration to drive innovation and infrastructure development
- Devolved adult skills budget, local autonomy, unified governance, and better recognition of rural potential
- Rural Social Infrastructure Fund

Opportunities - RSG



- Differentiation & USP – importance to place marketing - developers already recognising this is their marketing comms to attract businesses/workers (hybrid working)
- Ensuring all strategies & plans are ‘rural-proofed’
- Statutory inclusion of VCFSE in governance
- Strength of visitor economy and cultural assets
- Delivery of a cohesive sub regional Rural Strategy to unlock the potential ‘sleeping giant’ of the rural economy

Opportunities - RSG & Environment, Natural Capital & Net Zero workstream



- Rural natural assets can play a pivotal role in combating climate change & achieving net zero targets by strategic investment in green sector growth and job creation
- Environmental impact: Strategic land use for biodiversity and net zero goals
- Investment to ensure delivery of Local Nature Recovery Strategies (LNRS) & sustainable growth
- Future Farming Group – share best practice & pilot new sustainable farming approaches
- Anaerobic digestion plant to help decarbonise dairy sector
- River catchment partnership work to alleviate flood risk
- Energy supply availability project and rural property retrofit project with community partners

Opportunities - general consultation



- Improving our roads – fewer potholes, better footpaths, lighting and road marking
- Ensuring publicly owned buses continue to be central to public transport
- “Everyone benefits from economic growth, no one left behind” should be core to the work of the CA so that everyone has the opportunity to develop their aspirations, skills and competencies.
- Residents worry whether their children will be able to get good jobs and affordable housing where they grew up, and whether elderly relatives can access the hospital and social care they need
- How to link higher skilled job opportunities with local people
- Establishment of a peer network and mentoring programme for small businesses

Benefits of devolved Rural Economy



- Bringing decision making more local, including rural communities
- Rural Businesses could benefit from targeted business support through CA & Growth Hub
- Rural Businesses will potentially be able to highlight skills needs & development to support business growth
- Rural communities will have a stronger voice re improved transport connectivity, including bus services, demand responsive transport & enhanced local budgets for active travel & highways schemes

Benefits of devolved Rural Economy



- Support for key rural sectors to develop, including life sciences & animal life sciences, advanced manufacturing & visitor economy (rural locations & landscapes)
- Mayor & CA Board will engage with local communities around future prosperity in rural areas, market towns & villages to ensure inclusive growth benefits for all
- Mayor's powers over spatial planning will potentially enable balanced local neighbourhoods & more housing for families in rural areas to create sustainable communities & high-quality place making.

Opportunity cost

- Government policy for devolution to be default position across England
- Opportunity costs for rural if devolution is not taken forward, as investment will be prioritised to CA areas
- Understanding of the distinct needs and opportunities of rural areas, businesses and communities & the opportunity to benefit from the right investment, job opportunities & economic growth potential could be lost.
- This could result in more pressure on rural communities due to lack of funding and focused, informed decision making
- Rural impacts could include, for example, missing out on funding for rural transport with bus services a particular concern



Next steps



Rural Services Network annual conference 15th - 18th September 2025. Online seminar topics:

- Rural Fair funding
- Rural Economy & Regeneration
- Rural Affordable Housing & Planning
- Rural Connectivity
- Rural Net Zero
- Data that make a difference
- Rural Health & Care
- Rural Transport

Next steps



Rural Residents
pay **20% more**
in Council tax
per head
compared to
Urban Residents



Fair Funding Consultation

- CEC open letter – includes fair funding for the higher costs of service delivery in rural & dispersed communities
- Presented to Rural Strategy Group to consider submitting a response by 15th August
- Rural Services Network (RSN) will also be responding on behalf of SPARSE members.
- RSN's 'Roadmap for Rural Prosperity' highlights council services cost more to deliver in rural areas, where residents are spread across wide areas but still depend on vital services.

Next steps



Resource, Intelligence & Ambition

- Funding for officer resource for secretariat & coordination of rural stakeholders via refreshed Rural Strategy Group (£10k allocation)
- Rural Needs Analysis research project (£25k LGA funding) – external resource for intelligence gathering, data analysis and evidence base piece of work. Research other rural CA's e.g. North East, Cornwall for learnings & best practice. Recommend priorities for rural investment aligned to devolution levers
- Embed 'rural in all' approach in all future plans & strategies, including Strategic Spatial Development Strategy, Local Growth Plan, Skills Plan & Local Transport Plan.
- Explore potential for C&W to become a trailblazer for rural development within a Devolution Priority Programme CA, including double devo opportunities
- Rural sub-regional stakeholder/partner conference – Autumn 2025

Member Feedback

- What do Members want to see from devolution for Rural areas?
- What would you expect to see the Combined Authority deliver in relation to Rural areas?
- Is there anything missing from today's presentation and discussion which you believe would offer a step change for rural communities/economy across the sub-region?
- Are Members aware of any rural best practice/successful case studies that could be cascaded & scaled?



Questions



Cllr Smetham - 'What are we, and will we be doing for rural communities?'

Answer - We will be outlining the emerging devolution priorities for rural areas in the Members briefing on Wednesday 13th August, so hopefully this briefing will be able to answer your question. The CEC Rural Action Plan 2022-26 report at March 2025 Economy and Growth Committee also provides an update on issues facing rural communities and businesses in Cheshire East.

Cllr Buchanan - 'How will Devolution reverse the depopulation trend of rural communities?'

Answer - Devolution will provide opportunity for funding that could support rural communities and the rural economy, and seek to address those issues that may influence and support the preservation of the existing population . For example , but not solely , connectivity (both digital and public transport), affordable housing, road quality and maintenance, local employment opportunities. Decisions on funding bus services and investment would no longer rest in Whitehall but in the sub –regional Combined Authority, where the challenges and issues of rural communities and rural economies would be fully understood, and in Cheshire East would support our Rural Action Plan . It should also be noted that the Government is set on devolution being the default position across England. Therefore, there is an 'opportunity cost' if Devolution was not to be taken forward, where it is likely that Cheshire East will miss out on funding for transport and investment in the future as this will be prioritised to Combined Authority areas , and therefore the opportunity to support rural communities will be lost. Bus service funding would be a particular concern. It could be argued that not having devolution could place more pressure on rural communities because of lack of funding and focused decision making.

Cllr Wye - 'Cheshire East planned to have an active travel officer a couple of years ago, but the post was never created. What plans are there to have one officer to work on continuous linking active travel routes across the new mayoralty? How will such routes be funded?'

Answer - Responsibility for an integrated transport strategy for the Combined Authority area will be with the elected mayor. The role of active travel routes in meeting transport needs will be included into that remit. Decisions on staff resources have not been made at this stage.

Cllr Wye - 'How will such routes be funded?'

Answer - It is too earlier to comment on funding of individual routes or themes. However, the CA will receive an Integrated Transport Settlement directly from Government.

Cllr Wye - 'Will bus services meet the needs of rural residents?'

Answer - The role of buses in rural areas will be one key consideration for the CA's Integrated Transport Strategy, with a focus on how rural connectivity can be improved to aid prosperity and well-being. We should acknowledge that devolution is unlikely to resolve all issues with rural bus services.

Cllr Wye - 'At the 2011 census 7,996 CEC residents commuted to work in CWAC, and 9,041 made the return commute through our rural area. This is higher even than to Manchester. What plans are there to improve public transport links, given that the Crewe to Chester line is the longest in England without a station stop in between. (there used to be several)'

Answer - New Housing developments in North West Crewe along with the redevelopment of Leighton Hospital could provide a greater case for a station in North West Crewe area.

Cllr Wye - 'THE CWAC LCWP has precise breakdown of commuting modes, and like CEC has low public transport rated due to limited bus frequency or train connectivity. There are large areas of the authority that need an integrated transport solution for bus, bike and rail. It might be worth considering e-bike hire schemes for some stations.'

Answer - All of these considerations are within scope for a Combined Authority Integrated Transport Plan.

Cllr Edwards - 'What does this new bill mean when it talks about communities and what do our political leaders mean or officers when they talk about double devolution? And if there are any new powers in the Bill to facilitate such devolution how will communities/neighbourhoods be created that have the financial clout to bear the responsibility of such devolution?'

Answer - Double devolution means legally passing powers further through Strategic Authorities and councils to communities themselves. It seeks to operationalise the principle of subsidiarity, which holds that decisions should be taken at the most immediate and proximate level consistent with their effective resolution. The current Bill does not go as far as enshrining double devolution in law. It imposes a statutory duty for local authorities to establish 'effective governance structures' for neighbourhood areas. While not committing to it outright, this certainly opens the latent potential for some power to be devolved further downward than the typical local authority level. To this end, community engagement could be mandated within neighbourhood areas if specified by regulations and the Secretary of State. The Bill also introduces a new remit for community right to buy to replace the current policy that was introduced back in 2011 (under the Localism Act). This is part of an endeavour to bring more assets back into community ownership and help address some of the common criticism, like having no guaranteed right to purchase or access to an appeals process. The new legislation will now provide community groups with the right of first refusal of the sale of community assets. Much of the provisions relating to neighbourhoods and communities are contingent on regulations yet to be written, dependent on central ministerial discretion, and unfunded in their current form.

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